

SUMMARIES OF KEY CORRESPONDENCE

1. Discontinuance of Audit

a. Letter of 26 July 1962 from Comptroller General Campbell to Chairman Vinson.

Acknowledges letter of 18 July 1962 from Chairman Vinson which accepts GAO conclusion to withdraw from further audit activities at the Central Intelligence Agency.

b. Proposed draft of 11 July 1962 (copy of final letter of 18 July not received) from Chairman Vinson to Comptroller General.

Acknowledges Comptroller General's letter concerning restrictions on performance of audit of the Central Intelligence Agency. Affirms the need for restrictions and the fact of Agency strengthening of the Comptroller and internal audit functions in the Agency. Agrees that Comptroller General withdraw from further audit activities.

c. Letter of 21 June 1962 from Comptroller General to Chairman Vinson.

Reviews prior correspondence and contact with the Agency and sets forth for further consideration by Chairman Vinson, Comptroller General's view that the security restrictions inherent in the intelligence operations are so severe as to preclude effective performance of audit.

2. <u>Background Memoranda (in chronological sequence)</u>

d. Letter of 29 May 1959 from Comptroller General to Chairman, Special CIA Subcommittee, Committee on Armed Services.

Cites background for limited audit posture, acknowledging it had been requested by Director of Central Intelligence, and develops a rationale for a recommendation that GAO be allowed to expand the scope of its audit.

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e. Letter of 18 June 1959 from Chairman, CIA Subcommittee to Director of Central Intelligence.

Advises the Director of the desire of the Subcommittee and of the General Accounting Office for an expansion in scope of the GAO audit.

f. Letter of 30 June 1959 to the President from DCI.

Informs the President of the interest of the CIA Subcommittee and of the GAO in broadening the scope of the GAO audit; indicates that with the acquiescence of the President, he (DCI) will enter into discussions with the Comptroller General and the Chairman of the CIA Subcommittee for purpose of determing whether the GAO audit could be broadened without impairing the powers and authorities of the Director with regard to expenditures for confidential purposes.

g. Letter of 16 October 1959 to Comptroller General from DCI.

Acknowledges previous discussions regarding improvement of GAO audit and suggests guidelines within which such improvements must be accomplished.

h. Letter of 21 October 1959 from Comptroller General to DCI.

Expresses willingness for trial period to expand reviews within guidelines established.

- i. Letter of 16 May 1961 from Comptroller General to DCI.
- j. Letter of 16 May 1961 from Comptroller General to Chairman, Special Subcommittee, CIA, Committee on Armed Services.

These two letters report on reviews of CIA operations subject to audit, states no worthwhile audit objectives being achieved and evidences intention to discontinue audit.

k. Letter of 18 May 1961 from Chairman Vinson to Comptroller General.

Requests continuation of audit, pending completion of further discussions between the Committee, the General Accounting Office and the Central Intelligence Agency.